serve Bank of India is supposed to be doing before approving/registering any agency agreement by an Indian Company with its foreign agent wherein payments of Commissions are involved in foreign exchange;

(b) whether it is not mandatory on the part of Indian Company appointing agent abroad to give full and correct name and address of the foreign agent.

(c) whether it is a fact that the Reserve Bank of India have approved the agency agreement of M/s. Bombay Dyeing with their agents in West Germany whose address is nowhere on the records of R.B.I.; and

(d) whether Government consider such a lapse a gross violation, if so, what action is contemplated against concerned parties/officers?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) In accordance with the provisions contained in Exchange Control Manual, any Indian company desiring to register an Agency Agreement with its foreign agent should submit through an Authorised Dealer an application in prescribed form in duplicate accompanied by the Agency Agreement correspondence exchanged with Agents where formal agreement does not exist in original together with certified copy thereof. RBI registers the Agency Agreement if the rate of commission agreed to between the Indian exporters and their foreign agents does not exceed the permissible limit and there are no clauses in the Agreement which are contrary to current Exchange Control Regulations;

(b) It is necessary on the part of the Indian company appointing an agent abroad to give name and address of the foreign agent;

(c) RBI have not registered any Agency Agreement of M/s. Bombay Dyeing with any agent in West Germany during the last 3 years;

(d) As no lapse or violation has come to Government's notice, the question does not arise.

RBI permission for sending dividends to Nepal

3016. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Biswa Vyapar Private Limited company and Sterling Industrial Agencies (P) Ltd. Kathmandu own shares in the Bombay Dyeing and Manufacturing Company and receive the dividends paid by Bombay Dyeing;

(b) if so, whether the permission of Reserve Bank of India has been usually obtained while sending dividends to Nepal or any other country;

(c) if so, give details of the dividends paid to them in the last three years along with the taxes paid by these companies.

(d) whether business of these companies involve any violation of FERA regulations; and

(e) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) to (e) According to available information, Biswa Vyapar Pvt. Ltd. and Sterling Industrial Agencies Pvt. Ltd. Kathmandu are holding shares in Bombay Dyeing and Manufacturing Co. Ltd. Remittances of dividends to Nepal through banking channels do not require RBI's permission. Information regarding dividends paid to the above two companies by Bombay Dyeing and taxes paid by them either to the Indian or Nepalese Government is not available with Government. No FERA violation by these Nepalese companies has come to RBI's notice in respect of their shareholdings in Bombay Dyeing and the dividends remittances thereon.